



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10**

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OFFICE OF
ECOSYSTEMS, TRIBAL AND
PUBLIC AFFAIRS

April 27, 2015

Diane Wheeler
U.S. Forest Service
Soda Springs Ranger District
410 East Hooper Avenue
Soda Springs, Idaho 83276

Dear Ms. Wheeler:

We are providing comments on the Final Environmental Impact Statement for the Smoky Canyon, Panels F & G Lease and Mine Plan Modification (EPA Project Number: 03-063-BLM). Our review of the FEIS was conducted in accordance with our responsibilities under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act. Section 309 specifically directs the EPA to review and comment in writing on the environmental impacts associated with all major federal actions.

The FEIS analyzes the impacts of proposed modifications at Panels F & G at the Smoky Canyon Mine located in Southeast Idaho. The FEIS is tiered to the 2007 FEIS, which provided the basis for approving mine activities at Panels F & G. This modification addresses the need for additional capacity for the east overburden disposal area and proposes additional protective measures. Alternative 2 is identified as the Preferred Alternative and includes a constructed conveyor system, use of Geosynthetic Clay Laminate Liner (GCLL) on 138 acres, geologic store and release cover on approximately 257 acres, and additional stormwater control measures.

The EPA identified concerns on the draft EIS related to groundwater and surface water impacts to Crow Creek, which has elevated selenium concentrations at the confluence to South Fork Sage Creek and downstream from past mining practices. We also stated that the document lacked information regarding financial assurance costs for reclamation and closure.

The Agency's preferred alternative includes enhancements that are predicted to achieve greater reduction of selenium impacts to groundwater and hydrologically interconnected surface waters. We are pleased that the FEIS addresses many of EPA's comments on the DEIS. However, because of present exceedances of water quality standards for selenium due to mining activities, inherent uncertainty with modeled predictions, and uncertainties related to effectiveness of mitigation and clean-up actions, we remain concerned about impacts to water quality. We believe that long-term monitoring, coordination with clean-up efforts, adaptive management, and adequate financial assurance should address these issues.

Selenium is the primary contaminant of concern in the ongoing Comprehensive Environmental Response investigations at Smoky Canyon. We appreciate the response to our comments and that the FEIS incorporates the most up-to-date information from the CERCLA investigation. We encourage data sharing between agencies from operations and the CERCLA effort. This coordination can inform decision making, future monitoring efforts, and contingency planning.

We appreciate the development of the adaptive management plan to address potential selenium mobility (Appendix 2B). Developing contingency plans is critical when managing unanticipated scenarios. The AMP includes potential risks, thresholds, and agency/operator responses if specific conditions are not met. We support this framework and encourage BLM to ensure that a robust monitoring/reporting program exists during operations as a mechanism to determine when a corrective action may be required.

In our draft letter we raised issues regarding insufficient information about financial assurance. Securing adequate financial assurance is imperative to cover reclamation costs and long-term closure costs in the event that the company is unable to fund activities. We appreciate the BLM's coordination with EPA regarding bonding at phosphate mines. The 2013 BLM memo regarding bonding requirements for phosphate mining operations¹ provides very useful information. Specifically, we are pleased that the memo includes direction for calculating indirect and contingency costs, which was an issue raised in our comments on past NEPA analysis for Panels F & G (December 2007). Additionally, we encourage the BLM to include costs to cover long-term monitoring. Selenium transport to Crow Creek/South SFSC is anticipated to occur over many years. Therefore monitoring data is needed to understand actual environmental effects and inform responses.

In addition to the issues that we raised on the draft EIS, we supported the reduction of emissions from the installation of a conveyor system (reducing carbon dioxide by approximately 23,335 tons annually). Since the draft EIS was released, CEQ released a revised draft guidance (December 18, 2014) describing how federal agencies should consider the effects of greenhouse gas emissions and climate change in NEPA documents. The EPA is committed to this subject area and therefore, we offer additional general comments for your consideration as this project moves forward and with future NEPA analyses.

We recommend that the BLM identify and consider relevant, reasonable mitigation measures that reduce greenhouse gas emissions and commit to implementing the mitigation as part of BLM's Record of Decision. We offer the following potential measures for the BLM's consideration:

- Incorporate energy efficiency measures and appropriate alternative energy components into the project, such as on-site solar and/or geothermal power generation;
- Use conveyors rather than haul trucks wherever feasible, e.g., for transporting ore to processing areas and the heap leach facility; and
- Offer ride sharing or shuttle opportunities for mine employees commuting to the site from both nearby and distant communities.

¹ US Department of Interior, BLM. September 10, 2013. Bond Requirements for Phosphate Mining Operations.

We thank you for the opportunity to review the FEIS. If you would like to discuss these comments, please contact me at 206-553-1601 or via electronic mail at reichgott.christine@epa.gov, or Lynne Hood of my staff at, (208) 378-5757 or by electronic mail at hood.lynne@epa.gov.

Sincerely,

A handwritten signature in blue ink, reading "Christine B. Reichgott". The signature is fluid and cursive, with the first name "Christine" and last name "Reichgott" clearly legible, and "B." as a middle initial.

Christine B. Reichgott, Manager
Environmental Review and Sediment Management Unit